implemented. On 19th February, a Committee has been constituted, as I mentioned earlier, consisting of some of the Chief Ministers and the Central Ministers. And the terms of reference are there. That is the only way we can discuss it because it is a national effort. The Centre and the States will have to coordinate on this. And on that matter, I will collect the figures and pass it on to the hon. Member.

PROF. K.V. THOMAS: Sir, the new Industrial Policy of the Government and the new proposals in the present Budg· shows the thrust given by the present Government on the fiscal management. Sir, unless the State Governments also function in the same wave length, this new thrust gi·en by the Government of India will not become more effective. What are the steps taken by the Government so that both at the Centre and in the States, there are more or less the same Industrial Policy and more or less the same economic measures and also the things can go in a more effective manner both at the Centre and in the States?

MR. SPEAKER: For Policy co-ordination, at the Central level and at the State level, are there any steps?

SHRI H.R. BHARDWAJ: So far as the Industrial Policy is concerned, it is well known that it is formulated and put before the honorable House and debated. And then we take it up in the implementation part in the Planning Commission and all allocations are made according to the discusions that take place between the State and the Centre. Nothing is being decided in isolation or without discussion.

Foreign Capital Investment in India

*103. SHRI HARI KISHORE SINGH: Will the PRIME MINISTER be pleased to state the details of the plan chalked out by the Union Government to attract foreign capital investment in India?

THE MINISTER OF STATE OF THE MINISTRY OF INDUSTRY (PROF. P.J. KURIEN): A statement is laid on the Table of the House.

STATEMENT

Various Policy initiatives adopted by the Government to attract foreign capital for industrial investment in India have already been spelt out in the Statement on Industrial Policy tabled in both Houses of Parliament on 24th July, 1991. Under the Policy, automatic approvals are being given by the Reserve Bank of India for direct foreign investment upto 51% foreign equity in high priority industies listed in Annex III to the Statement. To provide access to international markets, majority foreign equity holding upto 51% is also being automatically permitted by the Reserve Bank of India for trading companies, primarily engaged in export activities. Further, automatic approval is also given by the RBI for raising foreign equity upto 51% in existing companies with some foreign equity, provided they undertake an expansion in the high priority sector (Annex III) or if they are already engaged in an Annex III activity. Other foreign investment proposals, outside the parameters for automatic clearance, are also considered and cleared on merits by the Government.

Government have also constituted a special empowered body, namely the Foreign Investment Promotion Board, to invite and facilitate investment in India by international companies in projects of benefit to the Indian economy and which do not fall within the parameters of the existing policy for clearance of foreign investment proposals.

SHRI HARI KISHORE SINGH: Sir, from this Statement it is a not very clear what the further detailed policies the Government proposes to adopt. 51 per cent equity participation by foreign companies has been allowed. May I know from the hon. Minister what has been the result and whether any substantial foreign investment has been coming and if so in which sector? Secondly, is it a fact that there has been a pressure on the Government to allow investment in consumer goods sector particularly the Coca-Cola and the Kellog breakfast foods?

PROF. P.J. KURIEN: Sir, I have already stated that the response tc the new Industrial Policy is very positive. I have also made it clear that we have got nearly Rs. 1000 crores clear foreign investment which is more than 14 times to the corresponding period of the previous time. Honorable Prime Minister has already said that another Rs. 100 crores is in the pipeline.

As far as the second part of the question is concerned, I would like to inform the House that these investments are mostly in the priority escort and more than 70 per cent of these foreign investments are in the Annexure III, that is priority sector.

SHRI HARI KISHORE SINGH: I would like to know whether there is any pressure on the Government to allow Coca-Cola and Kellog foods to have units in the country or not and what is the Policy of the Government in this regard?

PROF. P.J. KURIEN: Sir, I would like to make it very clear that the Government do not go by any pressure from any side. We take decisions which would be best in the interest of the Government.

SHRI MRUTYUNJAYA NAYAK: Just as Insurance Policy or Bank Security Bonds whether the Government has any such proposal to encourage, to enable the Non Residents Indians or foreign investors to buy such bonds and acquire more foreign investment for our country?

PROF. P.J. KURIEN: The Finance Minister in his Budget Speech has already made it clear what is the Government's policy.

National Renewal Fund

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*104. SHRI V. KRISHNA RAO:
SHRI SUDARSAN RAYCHAUDHARI:

Will the PRIME MINISTER be pleased to state:

(a) whether the Union Government propose to set up a National Renewal Fund for the workers;

(b) if so, the salient features of the proposed fund;

(c) whether the Government propose to consult various trade unions and State Governments in this regard; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (PROF.P.J. KURIEN): (a) to (d). A statement is laid on the Table of the House.

STATEMENT

(a) and (b). Government have constituted a National Renewal Fund. The Fund will provide assistance to meeting costs of retraining and redeployment of labour and also provide compensation to labour in the event of restructuring of any industrial unit. The Fund would help technological upgradation and modernisation in Indian industry. The fund would cover both public and private enterprises with contributions from Government of India, State Governments, Financial Institutions, General Insurance Corporation of India and Industrial units.

The Fund will be administered by the Ministery of Industry. Procedures for administering the Fund are being worked out.

(c) and (d). The Ministry of Labour has constituted a Special Tripartite Committee to consider the impact of New Industrial Policy on Labour and other related issues. The Concept paper on National Renewal Fund was placed before the Committee at its second meeting held on 20.1.92 in New Delhi.

The Special Tripartite Committee is composed of representatives of Government, employees and Trade Unions.

The Concept paper was also circulated at the State Labour Ministers' Conference on 6th February, 1992.

SHRI V. KRISHANA RAO. Sir, I con-